STATE OF MAINE PUBLIC UTILITIES COMMISSION Docket No. 2001-155

March 27, 2001

CENTRAL MAINE POWER COMPANY Request for Approval of Special Rate Contract with National Semiconductor Corporation ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

SUMMARY OF DECISION

By this Order, we grant final approval of a Customer Service Agreement (CSA) between Central Maine Power Company (CMP) and National Semiconductor Corporation (National) for a period of no more than one year beyond the term of the ARP. Further, this approval makes no finding as to the reasonableness of this contract.

DISCUSSION AND DECISION

On March 2, 2001, CMP filed with this Commission a proposed CSA with National. This CSA replaces a previous CSA that expired February 28, 2001. Pursuant to Attachment 6 approved by Commission Order dated November 16, 2000 in Docket No. 99-666, contracts with terms of no longer than one year beyond the remaining term of the Alternative Rate Plan that provide revenues sufficiently in excess of the Company's marginal cost floors, go into effect automatically 30 days after being filed.

However, based on our review of the contract, it appears that it will not result in revenues adequate to meet the criteria set forth in Attachment 6. Moreover, the term of the contract continues year-to-year, unless terminated by either CMP or National with 60 days written notice. Therefore, in order to become effective, this contract requires Commission review and approval.

We have reviewed the contract and find that there is no significant risk to CMP's other customers as a result of this Agreement. Therefore, we will allow the CSA to go into effect but will require CMP to either exercise its termination right under the contract prior to the end of the one-year period beyond the term of the ARP or to re-file for Commission approval of the contract beyond that time. Further, we do not have adequate information, at this time, to find that the proposed CSA is reasonable. We will revisit this issue, though, if CMP provides information subsequent to issuance of this Order that supports such a finding.

Dated at Augusta, Maine, this 27th day of March, 2001.

BY ORDER OF THE COMMISSION

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
- 3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.